

PROPOSED AMENDMENTS TO REGULATIONS 5.100 THROUGH 5.109 PROPOSED NEW REGULATION SECTIONS 5.1055 and 5.1085

PURPOSE: To add, delete, and modify gaming employee registration definitions; to modify which gaming employees are eligible for temporary registration; to modify suspension and reinstatement of temporary registration of gaming employees; to modify the criteria for objection to gaming employee registrations; to modify licensee duties with regard to gaming employee registration; to create required policies and procedures regarding armed security personnel; to modify change of employment notice requirements; to update requirements regarding the Board's system of records; to create the process for temporary suspension of a gaming employee registration as required by SB 72; to modify requirements concerning a petition for hearing to reconsider an objection, suspension, or revocation of a gaming employee registration; to modify reporting requirements regarding independent hosts; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATION 5

OPERATION OF GAMING ESTABLISHMENTS

(Draft Date January 24, 2020)

New

[Deleted]

5.100 Definitions As used in Regulations 5.100 to 5.109, inclusive:

- 1. No Change.
- 2. ["Application for registration" means an application package, in electronic or paper form, containing all the components of a complete application for registration or renewal of registration as a gaming employee consisting of:
 - (a) The online or paper form for application;
- (b) Two sets of fingerprints of the applicant or, if applicable, proof that the applicant's fingerprints were submitted electronically or by another means to the Central Repository for Nevada Records of Criminal History;
 - (c) The fee or a voucher guaranteeing payment of the fee for processing the application for

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(d) The statement prescribed in subsections 1 and 2 of NRS 463.3351.

Unless otherwise indicated, an "application for registration" also means the change of employment notice prescribed by the Board, in electronic or paper form.]

"Chair" means the Chair of the Nevada Gaming Control Board or the Chair's designee.

No Change.

5.102 Temporary registration.

- 1. Except as otherwise provided in this section, a [A] person is deemed temporarily registered as a gaming employee upon submission of an application for registration to the licensee for which the applicant will commence or continue working as a gaming employee, unless otherwise prescribed by the Chair.
- 2. A Talemporary registration as a gaming employee is valid for a period of 120 days after an application for registration is received by the Board, unless such temporary registration is objected to, suspended, or revoked by the Board [, or otherwise suspended or revoked] or Commission.
- 3. A person who submits an application for registration or a change of employment notice to a licensee concerning an armed security personnel position shall only be deemed temporarily registered as a gaming employee for work in an unarmed capacity. Registration as a gaming employee for armed security personnel shall only be effective upon notice from the Board or the expiration of the 120 day temporary registration period without Board objection, whichever occurs earlier.

5.103 Suspension and reinstatement of temporary registration.

- 1. [The Board may suspend the temporary registration of an applicant if it determines that:
- (a) The application for registration received from the applicant is not complete; or
- (b) If the application for registration is not a change of employment notice, the fingerprints submitted by the applicant are illegible or unclassifiable.
- 2. The Board shall suspend the temporary registration of an applicant if it determines that the statement prescribed by the Welfare Division of the Department of Human Resources pursuant

to NRS 425.520 is not completed, not signed, or the applicant indicates on the statement that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.]

[3] 1. If the Board suspends the temporary registration of an applicant pursuant to subsection[s 1] 8 of NRS 463.335 or [2] subsection 3 of NRS 463.3351, it shall notify the applicant and the [applicant's place of employment] applicable licensees of such suspension.

[4]2. An applicant whose temporary registration is suspended pursuant to subsection[s 1] 8 of NRS 463.335 or [2] subsection 3 of NRS 463.3351 shall not [be eligible to] work as a gaming employee until such time as the applicant rectifies the cause for such suspension and the Board reinstates the applicant's temporary registration. If an applicant rectifies the cause for his or her suspension and the Board reinstates the applicant's temporary registration, the period of time in which the applicant's temporary registration was suspended pursuant to this [regulation shall] must not be included in measuring the 120-day period in which the Board may object to such temporary registration of the applicant.

- 5.104 Investigation; uniform criteria for objection; objection.
- 1. No Change.
- 2. Unless the Board, after reviewing an application for registration, suspends the temporary registration of the applicant pursuant to [Regulation] <u>section</u> 5.103, it shall conduct an investigation of the applicant to determine whether the applicant is eligible [to be or continue to be registered] for registration or for a renewal of registration as a gaming employee.
- 3. The Board may object to the registration of an applicant within 120 days after receipt of a complete application for registration for any cause deemed reasonable, including, *without limitation*, any of the specific grounds [cited at] set forth in subsection 12 of NRS 463.335[(12)].
- 4. [An objection to the registration of an applicant shall be entered] In addition to the criteria set forth in subsection 12 of NRS 463.335, the Board may object to the registration of an applicant within 120 days after receipt of a complete application for registration if the applicant has committed, attempted or conspired to commit an offense:

- (a) [Has committed, attempted or conspired to commit any offense i] In violation of chapter 463, 463B, 464 or 465 of NRS [465.070 to 465.085, inclusive] or the regulations adopted pursuant thereto.
- (b) [Has committed, attempted or conspired to commit any offense, within the past 10 years, i]_Involving or related to gambling, which is a <u>gross misdemeanor or</u> felony in this state or, if <u>the</u> <u>gross misdemeanor or felony was</u> committed in another state, <u>it</u> would be <u>considered</u> a <u>gross misdemeanor or</u> felony in this state.
- (c) [Has committed, attempted or conspired to commit any offense i]! Involving larceny [related offenses] committed against, or on the premises of, a gaming establishment [within the past 10 years].
- 5. If the Board objects to the registration of an applicant pursuant to this [regulation] section, the Board [shall] must notify:
- (a) The applicant [pursuant to the notice requirement prescribed] in accordance with subsection 10 of NRS 463.335[(10)] and notify the applicant of the right to apply for a hearing pursuant to subsection 11 of NRS 463.335[(11)]; and

(b) The [applicant's place of employment] applicable licensees.

[The failure of an applicant to seek review of a determination that the applicant is not eligible for registration as a gaming employee shall be deemed to be an admission that the objection is well founded and such failure precludes administrative or judicial review.]

6. If the Board does not object to the registration of an applicant pursuant to this [regulation,] section, the applicant shall be deemed registered as a gaming employee and is eligible for employment with any [nonrestricted] licensee in [the] this state until such registration expires [as prescribed in] pursuant to subsection 7 of NRS 463.335[(7)], is suspended pursuant to NRS 463.3352 or 463.336, or is revoked pursuant to NRS 463.337.

5.105 Duties of licensee.

1. A [nonrestricted] licensee shall not knowingly employ a [ny] person as a gaming employee unless such person is temporarily registered or registered as a gaming employee. A licensee shall check, and may rely on, the system of records maintained by the Board to verify the

temporary registration, registration or eligibility of a person seeking employment as a gaming employee with such licensee.

- 2. A licensee shall only access the system of records after a person applies for a position as a gaming employee solely to determine whether the person is registered, temporarily registered, or subject to objection, suspension or revocation, or to initiate an application transaction in the Board's online gaming employee registration system. A licensee shall maintain written documentation establishing that it received an application for employment from a person for a position as a gaming employee prior to accessing the system of records and [shall] retain such documentation for at least 5 years.
- 3. [Before a licensee grants any employee access to the system of records maintained by the Board, it shall provide the Board with the name, social security number and date of birth of such employee.] Upon the termination of employment of [such] an employee which a licensee has granted access to the system of records maintained by the Board or the reassignment of such employee to a position that no longer requires [the employee to] access to the system of records, the licensee shall [immediately] notify the Board of such termination or reassignment not later than the next business day. The information contained within the system of records is confidential and must not be disclosed by such employee or the licensee.
- 4. If a licensee determines, after accessing the system of records maintained by the Board, that a person seeking employment as a gaming employee with such licensee is not temporarily registered or registered as a gaming employee, and is not subject to objection, suspension or revocation, the licensee shall provide the person with a form for application, the statement [prescribed in] required by subsection[s] 1 [and 2] of NRS 463.3351 and instruct the person to:
- (a) Complete the form for application and the statement [prescribed in] <u>required by</u> subsection[s] 1 [and 2] of NRS 463.3351;
- (b) Obtain [two] <u>a</u> complete set[s] of fingerprints <u>or provide proof of submission of fingerprints</u> <u>to the Central Repository for Nevada Records of Criminal History</u>;
- (c) Complete an online payment by credit or debit card through the Board's online gaming employee registration system or obtain a money order, cashier's check or voucher in the amount

prescribed by the Board in accordance with NRS 463.335(5); and

(d) Unless otherwise prescribed by the Chair, complete the application for gaming employee registration online via the Board's online gaming employee registration system or return a completed paper application for registration to the licensee in a sealed envelope, or in any other confidential manner permitted by the Board, for submission to the Board.

[If the person's fingerprints are submitted electronically or by another means to the Nevada Records of Criminal History, tangible proof of such shall be included in the application for registration in lieu of the fingerprint cards.

A licensee shall not employ a person who is not temporarily registered or registered as a gaming employee until such time as the person complies with this subsection.]

- 5. No Change.
- 6. If a licensee determines, after accessing the system of records maintained by the Board, that a person seeking employment as a gaming employee with such licensee is temporarily registered or registered as a gaming employee, the licensee shall provide such person with a change of employment notice and the statement [prescribed in] required by subsection[s] 1 [and 2] of NRS 463.3351, and instruct the person to complete such notice and statement, unless otherwise prescribed by the Chair, either online via the Board's online gaming employee registration system or by completing the paper version of the notice and statement and returning them to the licensee in a sealed envelope, or in any other confidential manner permitted by the Board, for submission to the Board.
- 7. [A licensee which instructs a person to obtain two complete sets of fingerprints shall be responsible for nonpayment by such person of the fee charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing such fingerprints.
- 8. Upon receipt of an application for registration, a licensee shall mail or deliver it to the Board within 5 business days as prescribed in NRS 463.335(4).
- 9.] The application for registration is confidential and shall not be accessed or used for any purpose by a licensee unless otherwise permitted by law, or prior, written consent is given by the

[10. A licensee shall immediately terminate a person it has employed or contracted with as a gaming employee, or reassign the person to a position that does not require registration as a gaming employee, if the Board notifies a licensee that the temporary registration or registration of the person it has employed as a gaming employee has been objected to by the Board, or otherwise suspended or revoked.

41]8. On or before the fifteenth (15th) day of each month, each licensee shall submit a written report to the Board containing the name, gaming registration number, position held, and date of hire of each gaming employee hired during the [previous] immediately preceding month.

[12]9. On or before the fifteenth (15th) day of each month, each licensee shall enter a termination date for all gaming employees terminated or separated from service within the *immediately* preceding month into the Board's online gaming employee registration system. With regard to persons required to register pursuant to section 5.320, such entry shall include a truthful statement of the reason(s) for each termination [and] or resignation and any additional information regarding the termination or resignation requested by the Chair.

[13] 10. Each licensee must maintain a photo of every gaming employee employed by the licensee. The licensee shall maintain the photo for a period of no less than 5 years after the date [in] on which the gaming employee is no longer employed by the licensee as a gaming employee. The photo must be large enough and of sufficient clarity to [be able to] clearly identify the gaming employee from the photo. The photo may be in the form of a photograph or it may be digitally stored, [but it] and must be capable of being reproduced and provided at the request of the Board.

[14. Any violation of subsections 2 or 3 constitutes an unsuitable method of operation and shall be grounds for disciplinary action by the Board and the Commission in accordance with the Nevada Gaming Control Act and the regulations of the Commission.]

5.1055 Required policies and procedures regarding armed security personnel.

1. Each licensee which employs armed security personnel shall have written policies and procedures regarding such personnel.

1	work at an affiliated licensee, a change of employment notice is not required if:
2	(a) The gaming employee does not act in an unarmed or armed security personnel position
3	for an affiliated licensee if the gaming employee is not so employed in such capacity with the
4	<u>licensee;</u>
5	(b) The gaming employee is not temporarily reassigned to an affiliated licensee for more
6	than 14 consecutive days; and
7	(c) The gaming employee is compensated by the licensee for any work performed for an
8	affiliated licensee.
9	5. A licensee which temporarily reassigns employees to an affiliated licensee shall maintain
10	a record which contains a list of gaming employees who have been temporarily reassigned to an
11	affiliate licensee, the affiliated licensee to which each gaming employee was assigned, and the
12	dates on which each gaming employee was temporarily reassigned to the affiliated licensee.
13	This record shall be updated at least once every calendar month. This record must contain at
14	least 5 years of the required information.
15	5.107 System of records: contents; confidentiality; penalties.
16	The Board shall create and maintain a system of records that:
17	(a) Contains information regarding the current place of employment of each person who is
18	registered as a gaming employee; and
19	(b) Identifies each person whose registration as a gaming employee has expired, was
20	objected to, suspended, or revoked by the Board [, or otherwise suspended or revoked] or
21	Commission, as applicable.
22	2. No Change.
23	5.1085 Temporary suspension of registration.
24	1. If the Board issues a temporary suspension of the registration of a gaming employee after
25	his or her arrest by an agent of the Board, the suspension becomes effective when:
26	(a) Notice is sent to the applicable licensee and
27	(b) The notice of suspension is served upon the gaming employee through:
28	(1) U.S. mail to the applicant's last known address; or

- 1. Any person whose application for registration as a gaming employee has been objected to pursuant to NRS 463.335, [or whose registration as a gaming employee has been] suspended pursuant to 463.336, or revoked pursuant to NRS 463.337, may not request a hearing for reconsideration of the final administrative or judicial action which resulted in such objection, suspension or revocation for a period of one (1) year following the date of such final administrative or judicial action.
- 2. After the one (1) year period [prescribed in] required by subsection 1, an aggrieved person may request a hearing by filing a petition with the Board which sets forth the basis of the request for reconsideration. The aggrieved person shall, upon filing such petition, include the statement [prescribed in] required by subsection[s] 1 [and 2] of NRS 463.3351 and, if requested by the Board, [two] a new complete set[s] of fingerprints together with the fee charged by the Central Repository for Nevada Records of Criminal History to process such fingerprints.
- 3. Upon receipt of a petition, the Board shall conduct an investigation of the person who filed such petition. [and] Upon completion of the investigation, which may include an examination of any relevant facts or circumstances which occurred subsequently to the initial objection, the Board may grant the relief sought in the petition based on the information presented therein. If the Board does not grant the relief sought based on the filing of the petition, the Board must schedule a hearing in accordance with subsection 14 of NRS 463.335. At the hearing, the Board [shall] may take any testimony deemed necessary. The [Board] Chair may designate a member of the Board or the Board may appoint a hearing examiner and authorize that person to perform on behalf of the Board any of the following functions required of the Board in the case of a hearing conducted pursuant to NRS 463.335:
- (a) Granting the relief sought in the petition based on the information presented therein and review of the investigation;
 - (b) Conducting a hearing and taking testimony;
 - [(b)](c) Reviewing the testimony and evidence presented at the hearing;
- [(c)](d) Making a recommendation to the Board based upon the testimony and evidence or rendering a decision on behalf of the Board pursuant to this section; and

[(d)](e) Notifying the person who filed the petition of the decision.

[Any decision rendered on behalf of the Board by a designated <u>member of the</u> Board [member] or an appointed hearing examiner shall be deemed a unanimous decision of the Board and shall be treated as such for purposes of this section.

- [4]5. After conducting a hearing pursuant to subsection 3, the Board, designated <u>member of</u>
 the Board [member], or appointed hearing examiner shall [in the case of a petition for reconsideration of:
- (a) An objection entered pursuant to NRS 463.335 which is the subject of such hearing,] review the testimony taken and any other evidence, and render a decision sustaining, modifying, or withdrawing the objection, suspension, or revocation [which shall be mailed to] and provide a copy of the decision to the person [of the decision] by mail within 45 days after the date of the hearing. [; or
- (b) The suspension of a person's registration pursuant to 463.336 or the revocation of a person's registration pursuant to NRS 463.337, adopt a recommendation to the Commission to sustain, modify or reverse the administrative or judicial decision which is the subject of such hearing.]
- [5]6. [A] Except as otherwise provided in subsection 7, the Board shall present its decision or recommendation to the Commission at the next meeting of the Commission after the Board, designated Board member, or appointed hearing examiner[:
- (a) Renders] <u>renders</u> a decision pursuant to subsection [4(a)] <u>5.[</u>, other than a decision to withdraw an objection or a unanimous decision by the Board to sustain or modify an objection; or
- (b) Adopts a recommendation pursuant to subsection 4(b), the Board shall present such decision or recommendation to the Commission at the next meeting of the Commission.]
- 7. [→ In the case of a unanimous decision by the Board to sustain or modify an objection which is rendered by the Board pursuant to subsection 4(a), t]—The Board is not required to present it to the Commission if the Board issues a unanimous decision to sustain or modify an objection, suspension, or revocation to a registration as a gaming employee pursuant to subsection 5 unless the person aggrieved by the decision applies in writing to the Commission

for review of such decision within 15 days after the announcement of the decision. The failure of the person to apply for a review within such 15-day period shall be deemed to be an admission that the unanimous decision of the Board sustaining or modifying the objection is well founded and, pursuant to subsection 9, such person may not file another petition pursuant to this regulation for a period of five (5) years after the date of the Board's decision, or such lesser period of time as may be ordered by the Board.

[6]8. The Commission, in reviewing a decision or recommendation of the Board, designated member of the Board [member], or appointed hearing examiner, may sustain, modify, or reverse the decision or recommendation of the Board, designated member of the Board [member], or appointed hearing [officer] examiner or remand the petition to the Board for such further investigation or reconsideration as the Commission may order. The review by the Commission of a decision or recommendation of the Board, designated member of the Board [member], or appointed hearing examiner [decision or recommendation] is limited to the record of the proceedings before the Board, designated member of the Board [member], or appointed hearing examiner.

- [7] On aggrieved person who files a petition pursuant to this [regulation] section may submit a written request for withdrawal of such petition to:
- (a) The Board at any time prior to the Board rendering a decision or adopting a recommendation to the Commission pursuant to subsection [4] 5; or
- (b) The Commission at any time before the Commission has acted upon a decision or recommendation of the Board, designated <u>member of the</u> Board [member], or appointed hearing examiner pursuant to subsection [6] 8.
- [8] 10. If a person who files a petition pursuant to this [regulation] section is deemed eligible for employment as a gaming employee, such person shall, as directed by the Board, file a new application for registration as a gaming employee or a change of employment notice with the Board by submitting it to the licensee for whom the person becomes employed as a gaming employee within 10 days, unless otherwise prescribed by the Chair. Unless objected to suspended, or revoked by the Board[,] or [otherwise suspended or revoked] Commission, the